

84TH CONGRESS } 1st Session }	HOUSE OF REPRESENTATIVES }	REPORT No. 1432
----------------------------------	----------------------------	--------------------

INVENTIVE CONTRIBUTIONS AWARDS

JULY 26, 1955.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. WILLIS, from the Committee on the Judiciary, submitted the following

R E P O R T

[To accompany H. R. 2383]

The Committee on the Judiciary, to whom was referred the bill (H. R. 2383) to authorize the establishment of an Inventive Contributions Awards Board within the Department of Defense, and for other purposes, having considered the same, report favorably thereon with amendment and recommend that the bill do pass.

The amendment is as follows:

Strike out all after the enacting clause and substitute the following:

That this Act may be cited as the "Inventive Contributions Awards Act of 1955".

SEC. 2. It is the purpose of this Act to foster invention for national defense by conferring on the National Inventors Council within the Department of Commerce authority to make such awards known as National Defense Awards, as it shall consider just for meritorious inventive contributions made to the national defense.

DEFINITIONS

SEC. 3. As used in this Act—

(a) The terms "contribution" or "inventive contribution" mean any contribution of a process, machine, manufacture, or composition of matter in the fields contemplated by the patent law, or of an improvement in, idea for, or for the use of, such a process, machine, manufacture or composition of matter, whether or not patented, unpatented, or unpatentable, and whether or not original with the contributor, new, or amounting to invention, which is used in the national defense of the United States as a result of communication by the contributor, and which is not subject to the provisions of the Atomic Energy Acts of 1946 (42 U. S. C. 1801-1819) and of 1954 (42 U. S. C. 2011-2296).

(b) The term "contributor" means a natural person who has made an inventive contribution, other than civilian officers and employees of the Federal Government to whom title III, Public Law 763, 83d Congress, applies, or as otherwise included in section 9 (b) herein.

(c) The term "defense agency" means the Department of Defense or any other department, agency, or independent establishment in the executive branch of the Government (except the Atomic Energy Commission), or any wholly owned

INVENTIVE CONTRIBUTIONS AWARDS

Government corporation, designated by the President as a defense agency for the purposes of this Act.

(d) The term "award" means a National Defense Award authorized by section 4 of this Act.

(e) The term "communication" shall mean either a disclosure in writing or a submission of a physical embodiment of the contribution.

(f) The term "Council" means the National Inventors Council within the Department of Commerce.

NATIONAL DEFENSE AWARDS

SEC. 4. Any law to the contrary notwithstanding, whenever any contributor has directly or indirectly communicated his contribution to any defense agency, and any such agency in consequence of such communication has used or caused to be used such contribution, the National Inventors Council may make a National Defense Award to such contributor or his heirs in such amount, and subject to such terms and conditions, as the Council shall determine in conformity with the provisions of this Act to be a proper award for the use thereof.

NATIONAL INVENTORS COUNCIL

SEC. 5 (a) The National Inventors Council shall perform the duties required of it by the provisions of this Act.

(b) The Council, subject to the approval of the Secretary of Commerce, may promulgate such rules and regulations, not inconsistent with this Act, as may be required for the performance of its duties hereunder.

(c) There is hereby authorized to be appropriated such funds as are necessary to meet administrative expenses of the Council in performance of its functions under this Act, except no appropriations authorized under this subsection shall be used for the payment of any award under this Act.

APPLICATIONS FOR AWARDS AND PROCEEDINGS THEREON

SEC. 6. (a) Any contributor may file with the Council an application for an award under section 4 of this Act, or be recommended for an award by the head of any defense agency. Such application or recommendation may be filed upon information and belief, and shall contain a statement concerning—

- (1) the nature of such contribution;
- (2) the ownership thereof;
- (3) the date and manner of its communication to any defense agency;
- (4) the nature and extent of the compensation received by such contributor from the United States in connection with the contribution;
- (5) the nature and extent of the award for which application or recommendation is made pursuant to this Act; and
- (6) such other information as the Council shall prescribe by its rules.

(b) Each application or recommendation so filed shall be transmitted to the Council which, subject to the provisions of this Act, shall determine the questions presented by such application, and shall make a report thereon in which it shall set forth—

- (1) its findings of fact;
- (2) its conclusions and recommendations on the question whether the contributor is entitled to an award under this Act; and
- (3) the terms and conditions upon which any such award should be made.

DETERMINATION OF ELIGIBILITY FOR AWARDS AND QUANTUM THEREOF

SEC. 7. (a) In any proceeding under this Act, the contributor shall bear the burden of establishing the communication of the contribution in question, except that the submission of a contribution to the National Inventors Council and by that council to a defense agency shall constitute proof of communication.

(b) In any proceeding under this Act if the Council finds that the contributor communicated the contribution and as a result thereof it was used, it may make an award, and recommend payment thereof in a lump sum or in periodic installments.

(c) In determining the amount of any such award consideration shall be given to—

- (1) the novelty, originality, and utility of the contribution;

(2) the extent to which such development was made at the expense of the contributor, and the extent to which such development was made at the expense of the United States;

(3) the extent to which the contributor has benefited, will benefit, or reasonably can be expected to benefit through the commercial exploitation of such contribution;

(4) the extent to which the contributor has been denied the benefits of commercial exploitation of such contribution in consequence of any secrecy restrictions imposed by the United States; and

(5) the extent to which the contributor has been compensated for said contribution by the United States.

(d) If, in any proceeding under this Act, it shall appear to the Council that more than one contributor is entitled to compensation with respect to the same contribution, it shall ascertain and determine the interests of each such contributor and shall recommend the division of the award, in such proportions as it shall deem equitable, among all persons whom it shall find to be entitled to share therein.

(e) A contributor shall not be barred from eligibility for an award on the ground that he has given the Government a license under his invention either with or without receipt of cash consideration or by virtue of the fact that the Government claims an equitable license under his invention.

(f) It shall not be necessary that the contributor own the inventive contribution or possess any property interest in it in order to be eligible for an award, but the Council may consider as an additional factor, potential claims by others for the same contributions, or similar contributions, in determining the amount of an award, if any.

PAYMENT OF AWARDS

SEC. 8. (a) Any award made pursuant to this Act may be paid in a single payment or by such periodic payments as the Council may recommend.

(b) Awards so made shall be paid from funds appropriated to the defense agency principally interested in the contribution for which such award is made, as determined by the Council, and may be paid from any funds appropriated to such agency which are available for the procurement of equipment or supplies incorporating such contribution or resulting from the practice of such contribution. If such funds are not available to such agency for the payment of the award, the head of the agency shall so certify and shall include in his budget estimate for the next fiscal year an appropriate item for the payment of such award.

(c) No award shall be paid under this Act to any contributor or with respect to any contribution in any amount exceeding \$50,000 until such award has been transmitted to and approved by the Congress. The approval of the Congress to any such award shall be deemed to have been granted upon the expiration of the first period of six months of continuous session of the Congress following the date on which such award is transmitted to it for approval, but only if prior to the expiration of such period there has not been passed a concurrent resolution disapproving such award or approving such award in a reduced amount or subject to different conditions. If within such period any such resolution is passed authorizing payment of such award in a reduced amount or subject to different conditions, payment of such award may be made in conformity with the terms of such resolution.

PROCEEDINGS UNDER OTHER STATUTES

SEC. 9. (a) Nothing contained in this Act shall—

(1) prevent any defense agency from making any payment to any contributor pursuant to any other provision of law; or

(2) bar any contributor from prosecuting any suit under any other provision of law; or

(3) prohibit any department or agency of the United States from making any payment to a contributor pursuant to any administrative order of such department or agency.

(b) An officer or employee of the Government shall not be eligible for consideration for an award pursuant to this Act unless he has received the maximum monetary award that may be granted for an invention under the Government Employees' Incentive Awards Act (68 Stat. 1112).

SEC. 10. Section 10 (r) of the Army Air Corps Act approved June 2, 1926, as amended by Act approved March 3, 1927 (10 U. S. C. 310 (r)), is hereby repealed.

INVENTIVE CONTRIBUTIONS AWARDS

SEC. 11. The provisions of this Act shall be prospective only and shall affect inventive contributions communicated after the effective date of this Act.

The title of this bill is amended to read as follows:

A bill to authorize the National Inventors Council to make awards for inventive contributions relating to the national defense.

The committee substitute bill, with the exception of certain changes which will be discussed later in the report, is substantially the same in purport and effect as the bill as originally introduced. The only major difference is that the committee amendment places authority to determine awards in the National Inventors Council within the Department of Commerce, whereas the bill as introduced set up a separate Awards Board within the Department of Defense. The committee, in conferring jurisdiction on the National Inventors Council, did so for the reason that the Council is an established, functioning body which, without too much difficulty, can be equipped to handle the subject matter of this legislation. An Awards Board, on the other hand, would have to be newly created.

PURPOSE OF BILL

The purpose of this legislation is to foster invention for national defense by authorizing the National Inventors Council within the Department of Commerce to confer monetary awards, known as National Defense Awards, on those people—principally those not in Government employ—who make meritorious inventive contributions to our Government in aid of our national defense.

STATEMENT

The present awards systems in Government are inadequate and complex. They mainly affect Government employees and do not specifically provide for contributions of an inventive nature. Accordingly, an inventor must look solely to the obtaining of a patent and rely upon his patent rights to enforce a claim against the Government, should his invention be adopted and used.

There is one field in particular in which the patent laws do not serve to assure a proper award to the inventor. This is the field of inventions relating to national defense. In many instances, this contribution is not of a type which can be patented. For example:

The National Inventor's Council received a suggestion from a woman who read an article about the difficulty Army surgeons were having with sanitation. She suggested a surgeon's gown made of paper with a suitable plastic coating so it could be sterilized, packaged, shipped, used, and thrown away. Since this suggestion was merely an idea and not a specific coating, it was not patentable. Industry will get all the procurement from the research and development contracts let to develop the idea.¹

Or it is not the type which, even if patented, can assure any adequate commercial return to the inventor. For example:

As a result of the increase in the speed of planes, the weight of planes has increased and the corresponding strength and weight of arresting gear to handle the faster and heavier planes have increased. As it is necessary to compensate the weight of the flight deck to keep the ship from capsizing, an inventor contri-

¹In *Fowler v. City of New York, et al.* (121 Fed. 747), the court held that "no mere abstraction, no idea, however brilliant, can be the subject of a patent irrespective of the means designed to give it effect." A system of devising code messages divorced from the means used in the system was held not to be patentable in *Berardini v. Tocci* (190 Fed. 329).

buted a light-weight arresting gear. This inventor has but one customer for his invention, namely, the Navy.

Even when the invention is patentable, many inventors cannot afford to go through the long process of obtaining a patent and then prosecuting a claim for patent infringement against the Government. For example:

The Esnault-Pelterie case (303 U. S. 26) involving the joy-stick control of aeroplanes was filed in 1922 and the Supreme Court handed down the final decision in 1939. This case was pending for a period of 17 years.

As a result, there is little incentive for them to invent for purposes of national defense.

Moreover, if there is a valuable invention for national defense, but the invention arises under circumstances where the Government has rights, there may be no way in which to reward the inventor. The following examples of such cases are from an article in the Saturday Evening Post of June 9, 1951, by Capt. George H. Robillard, United States Navy, and Beverly Smith, entitled "Are We Stifling the Inventor?"

On another recent occasion, a veterinarian, without apparent scientific background except among animals, sent us some formulas for making a new propellant fuel. Our trained chemists pointed out that the constituent parts, if mixed as directed, would explode. But the letter was so convincing that they made a cautious try. No explosion. The resulting composition gives every promise of becoming a valuable fuel for missiles.

Here the inventor is out of luck. Since the Government must spend money to "actually reduce the invention to practice," it takes a free license, leaving to the inventor his commercial rights which are apparently nil. He himself has no facilities for handling a research-and-development contract. Possibly a way can be found for compensating him indirectly, by putting him on the Government payroll or by some roundabout arrangement with the company which develops the new fuel. It is strange to see Uncle Sam reduced to such shenanigans in dealing with men on whom his survival may depend.

One morning not long ago the mail brought us a complete set of drawings. They disclosed a weapon of such a revolutionary nature and with such accurate detail and execution that our experts were first startled, then alarmed. Our people had been working along similar lines, and it seemed that this inventor must have got hold of our secret information and then gone on from there. We hastily tracked him down and checked him from A to Z. He turned out to be an obscure Government employee, on a salary of less than \$2,000 a year, located in a remote part of the United States. He had no special training in science or in abstruse weapons. He had no possible access to secret military information. He just happened to have a strong and original mechanical gift.

His weapon has great possibilities, and we are spending a lot of money to develop it. But no money can go to the inventor. In the first place, he is employed by the Government, and admittedly conceived and drew his designs (1) "during working hours," using (2) Government "materials"—pencil and paper. Therefore the Government takes all "right, title, and interest" to his invention (see Executive Order 10096, January 23, 1950, sec. 1 (a) (1) and (2)). In the second place, he did not reduce his invention to "actual practice," which he might have done if he had had \$1 million, private arsenals and proving grounds, and a few other things. But he can still draw his little salary and may someday receive a handsomely engraved certificate of commendation from his grateful Government.

While the need for inventive contributions is recognized, the financial incentive for inspiring such contributions is at the present time wholly inadequate. One of the witnesses who testified at the hearing pointed out that while 100 such inventions were used during World War II only 1 of the inventors received any substantial financial reward.

There are many reasons why the financial rewards under our present systems are inadequate. As noted above in Captain Robillard's article, one of the major stumbling blocks is the requirement of most defense agencies that an invention be reduced to practice before any financial reward can be made. In most instances, the inventor has not actually reduced the invention to practice either because he could not afford to do so or because he does not have the facilities to do so. He usually has an idea and perhaps produces a small working model or perhaps a draft to show how his invention works. But it may require thousands or even hundreds of thousands of dollars to reduce an invention to an actual device. The individual inventor in most instances has neither the financial nor material resources to produce complicated and expensive tools of war. Certainly the small groups of scientists who developed the atom bomb could never have produced one out of their own resources.

Usually, the inventor who develops a device in aid of our national defense has only one customer, namely, the United States Government. According to the reports of the Royal Commission on Awards to Inventors, approximately 90 percent of the inventions relating to military devices which were used by the British had very little, if any, commercial application.

Last year, in the 83d Congress, Public Law 763 was enacted (68 Stat. 1105), title III of which set up a Government Employees' Incentive Awards Act which authorized the head of each department to pay cash awards to employees of the Government who, by their suggestions, inventions, superior accomplishments and other personal efforts, contributed to the improvement of Government operations. While the committee feels that this legislation is a long step in the right direction, it nevertheless wishes to note that last year's act is restricted to officers and employees of the Federal Government. Because of the lack of proper legislation, there is no incentive for independent inventors and no adequate means for rewarding inventors employed by Government contractors when they come forward with a particularly meritorious contribution, primarily useful to the national defense.

GOVERNMENT SOLICITATION OF INVENTIONS

Ever since World War I the Government has solicited inventions and inventive contributions for the national defense. In World War I it was done by the Navy Consulting Board, and many valuable inventions were received, the most important being the ground trainer for aviators. Ground trainers are still an important adjunct of aviators' flight training. It is possible to train aviators in all of the fundamentals of flight and in instrument flying before they ever leave the ground. The prototype of all such trainers was the one obtained as a result of solicitation by the Government.

With the start of World War II, the National Inventors Council was organized within the Department of Commerce for the specific purpose of soliciting inventions from the general public when such inventions were useful to the national defense. During World War II the National Inventors Council received 300,000 submissions and of these approximately 5,000 were referred to the Department of Defense. It is known that over 100 were adopted, and one, in par-

ticular, made a tremendous contribution to the saving of lives and the winning of the war. This was the land-mine detector.

Reports from various authorities on the subject of awarding compensation to inventors were carefully studied by the National Inventors Council who conducted an informal canvass of inventors whose inventions had been processed through the Council. As a result it was found that there was needed a great deal of improvement in the methods of properly and promptly compensating inventors. The Council, it may be well to mention at this point, is composed of men who are inventors and scientists and high-ranking officers of the armed services. The Chairman of the Council is Dr. Charles F. Kettering of the General Motors Research Corp., and the others are—

Lawrence Langner (secretary)	Homer H. Ewing
Roger Adams	Frederick M. Feiker
George Baekeland	Thomas K. Glenman
Alvan L. Barach	Webster N. Jones
Rear Adm. Calvin M. Bolster	Maj. Gen. Donald L. Putt
Oliver Buckley	Henry J. Rand
George Codrington	Maj. Gen. John F. Uncles
William D. Coolidge	Brooks Walker
Watson Davis	Carl H. Walther
Luis de Florez	Robert C. Watson
Hugh L. Dryden	James C. Zeder

AWARDS LEGISLATION SUPPORTED BY AUTHORITIES

It was this Council which adopted the following report at its meeting February 27 and 28, 1952, at Eglin Field, Fla., sponsoring and urging the introduction of legislation to encourage invention for national defense:

REPORT OF THE NATIONAL INVENTORS COUNCIL ON AWARDING COMPENSATION TO INVENTORS BY THE UNITED STATES GOVERNMENT

We have carefully examined reports which we have received from the various authorities on the subject of awarding compensation to inventors by the United States Government, and we have conducted an informal canvass of inventors whose inventions have been processed through the National Inventors Council. The information which has come into our possession makes us believe that certain features of our laws dealing with inventors in certain categories should be extended to all inventors who make inventions valuable for the war effort.

We were gratified to find, during our investigation, that it is the general consensus of officers in the Army, Navy, and Air Force that inventors should receive every possible consideration, and that they should at all times be properly compensated for their inventions.

Differences may have arisen in the past as to what constituted proper compensation, but these have been on the question of fact rather than on the fundamental principle that inventors should be properly compensated, and everything possible done to stimulate American invention for national defense.

Therefore, there is no need for any change in the fundamental principle that inventors should be properly and promptly compensated, but there is room for considerable improvement in the methods of accomplishing this. We feel that it is not necessary to disturb the rather elaborate arrangements which are now in existence for rewarding inventors; but that its processes should be streamlined and speeded up, and that awards should bear an appropriate relationship to the benefits obtained by the use of the invention. For this purpose it would be desirable to provide, so to speak, a board of appeals to which inventors may go, if they are not satisfied with the compensation they receive as part of the general operations of the Armed Forces. At the present time, the only place where an inventor can take an appeal against a decision by the Government is by expensive and lengthy procedure to the Court of Claims, and this only under limited conditions.

We feel that an Awards Board should be set up by the Government to provide proper compensation for inventors in the case where they are dissatisfied with what is offered to them in the ordinary operations of the Government. This Awards Board should be set up along the lines of that provided by section 10r of Army Air Corps Act, July 2, 1926, which permitted an Awards Board to make awards for inventions in aviation. In this Army Act, the Awards Board was not empowered to make awards of more than \$75,000. We propose that the Awards Board should have a continuing fund of \$5 million for the purpose of making awards, but where an award exceeds \$250,000 the decision of the Awards Board shall become effective 60 days thereafter, unless objection is made thereto by the Congress.

No awards of any kind should be made by the Awards Board except where the ownership of the invention has been established to the satisfaction of the Board. Where several claimants to an award are made, the Board may divide the award between all of those who have contributed in such proportion as it may think fit.

In addition to handling the awards to civilian inventors who are not Government employees, the Awards Board should also be empowered to make awards to Government employees, but only under certain special circumstances. For example, if the inventor is paid to work on an invention, his invention is the property of the United States Government. However, if his compensation is small, and the invention of tremendous value, he should have the right to appeal for an award, and to receive same, if the Awards Board feels that his salary or compensation is inadequate. Furthermore, there should be some provisions for the return of an invention to an inventor, or a return of foreign rights to the inventor, if the Government has no interest in it. In all cases where an invention is returned to an inventor, the Government should always retain a royalty-free, irrevocable, nonexclusive, world-wide license under the invention or patents. If the inventor is not paid to invent for the Government, or if the invention does not fall within his line of duty, then the former practice which existed for Government inventors should be reinstated and Government should be entitled to a royalty-free, irrevocable, nonexclusive, world-wide license under the invention or patents, all the other rights remaining with the inventor employee.

We further feel that any civilian individual, firm, or corporation which is dissatisfied with the terms offered it for an invention may appeal to the Awards Board. We believe that a practice now existing in some Government agencies should be modified; viz, the practice of making a working model, pilot plant, or other reduction to practice by the Government only in the case where the inventor is willing to give a royalty-free license to the Government.

We think that in no case should the Government receive a royalty-free license merely in return for making such models or merely reducing the invention to practice, except where the invention has definite commercial application in addition to Government application. We believe, however, if the Government uses the invention, it should compensate the inventor, but should have the right to deduct the cost of the working model, pilot process, etc., in arriving at the proper compensation for the invention. Here again, the inventor who feels he is inadequately compensated may appeal to the Awards Board.

Some instances of injustice have been found where a seemingly unimportant invention is secured by the Government for very small compensation, and thereafter the invention has turned out to be of enormous value. Under such circumstances, the inventor should have the right to appeal to the Awards Board for additional compensation.

The members of the Council know the patent system and are believers in the fact that the patent system is responsible for the great industrial progress in this country. Yet it is recognized by the Council that in the area of defense invention the patent laws are not always adequate.

LEGISLATION APPROVED BY GOVERNMENT AGENCIES

The Department of Defense supports legislation to encourage inventions and inventive contributions for the national defense and since that Department is most directly affected, its opinion is of great significance. It is also well to note that the United States Civil Service Commission, which is charged with administering the pro-

visions of Public Law 763, 83d Congress, also favors the enactment of this kind of legislation. Of significance too is the number of other Government agencies which have no objection to this type of legislation. They are listed below and, in addition, there are set out at the end of this report communications which were received from those departments which contain their particular views:

- Department of State
- General Services Administration
- Bureau of the Budget
- Department of Justice
- National Advisory Committee for Aeronautics

A Royal Commission on Awards for Inventors was established in Great Britain in 1919 after the First World War. On May 15, 1946, a similar Commission was established with functions relating to the Second World War. A representative from the Ministry of Supply, British Joint Services Mission, testified at the hearing, and gave the committee the benefits of his views on the question of how well the British system of awards has been working out.²

HISTORY OF LEGISLATION

In 1952, H. R. 7316, a bill to authorize the establishment of an Inventions Awards Board within the Department of Defense, was introduced. Hearings were held and thereafter the record was kept open for a reasonable time to permit the inclusion of statements of those who did not have an opportunity to appear at the hearing. (See Hearing, House Judiciary Committee on H. R. 7316, 82d Cong., Serial No. 16.) As a result of the hearings and material received by the committee, a committee print was drafted, incorporating amendments which appeared to be necessary in order to achieve the intent of the proposed legislation.

In the 83d Congress a bill, H. R. 5889, which incorporated many of the suggestions which had been advanced in connection with the earlier legislation, was introduced. However, aside from receiving departmental reports, no action was taken by the committee.

PROVISIONS OF PRESENT LEGISLATION

The present bill, as amended by the committee substitute, is substantially similar to H. R. 5889, 83d Congress, and is intended to provide means for the rewarding of individual inventors for the contribution they make to the national defense, whether or not patent has been obtained. The bill authorizes the National Inventors Council, within the Department of Commerce, to recommend conferring monetary awards for meritorious inventive contributions relating to the national defense. The committee, in conferring such authority on the National Inventors Council (sec. 2) rather than on an Awards Board within the Department of Defense, has done so because it is felt that the National Inventors Council, consisting of persons who are adequately qualified to judge and evaluate the contribution made by an inventor and already an established agency, will require very little additional moneys or staff personnel to accomplish the added burden which this legislation would place upon it.

² See also reports of the Royal Commission on Awards to Inventors published by the HM Stationery Office, London, England.

This legislation authorizes the Council to recommend the awards in any amount and the particular defense agency concerned would be authorized to pay the award if it does not exceed \$50,000 (sec. 8 (b)). If it exceeds \$50,000 it must be referred to Congress for determination as to whether the award should be paid, or paid on different terms than those recommended by the Council (sec. 8 (c)). The Council would establish its own rules of procedure, the intent being to keep the procedure as simple as possible so that the inventor is not confronted with long and expensive delays (sec. 5 (b)). The instant bill does not contemplate an extensive staff. Informal inquiry by this committee from various people, both in the Department of Commerce and Department of Defense elicited the estimations that this legislation would require an additional staff of 5 or 6 and a monetary outlay of not more than \$40,000 per year. It should be noted, however, that no special appropriation would be necessary in most instances for the payment of any recommended awards hereunder, since the instant legislation provides that such payments are to be made from moneys appropriated for the purchase of equipment in which the inventive contribution is incorporated (sec. 8 (b)). The Department of Defense already has authority to utilize such moneys for the settlement of infringement claims and the bill now makes these funds available for the payment of awards.

Since the purpose of the bill as amended is to provide an incentive for the inventor for national defense, it is so drafted that it provides for an award for an inventive contribution whether or not the contribution is patented, unpatented, or unpatentable, or whether or not original with the contributor, new or if not amounting to an invention (sec. 3 (a)).

In order that the legislation will not be open to legal attack because of ambiguity, the committee has set up in section 3 (a) certain standards which are to guide the National Inventors Council in entertaining and in processing applications for an award under this legislation. The term "invention" as was contained in the earlier bills on this subject has been broadened to "inventive contributions" to emphasize the double standard intended; namely, (1) the contribution must be of an inventive nature, not necessarily patentable, and (2) it must be a contribution to national defense.

To be eligible for an award, the contributor must have communicated his inventive contribution to the Government and as a result of such communication the contribution must have been adopted and used (sec. 7 (a) and (b)). Thus, as a condition precedent to an award, communication is essential regardless of whether or not the contribution is one which may or may not have all the attributes of an invention.

The proposed legislation does not in any way conflict with the patent laws. The measure here is not one of patentability under the patent laws, but whether or not the contribution is useful to the national defense. The payment of the award is based on the use of the invention and not on the invasion of a patent right under the patent law.

This bill would not prevent any defense agency from making payment to any contributor pursuant to any other law (sec. 9 (a)). Nor would it bar any contributor from prosecuting any suit under any other provision of law (sec. 9 (a)). However, no officer or employee

INVENTIVE CONTRIBUTIONS AWARDS

11

of the Government is eligible for consideration for an award under this act unless he has first proceeded under Public Law 763 of the 83d Congress (68 Stat. 1112) and then only after he has received the maximum monetary award (\$25,000) which may be granted for an inventive contribution under that act (sec. 9 (b)).

Generally, the basic intent of the bill is to provide an incentive for individuals who direct their efforts toward inventing for the national defense, assuring to them some return for their efforts. It is also intended to stimulate private enterprise by encouraging private and Government exploitation of inventions and inventive contributions made by employees of Government contractors.

In addition to the communications from the Federal agencies, there is set out at the end hereof title III of Public Law 763, 83d Congress, which contains the Government Employees' Incentive Awards Act.

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE,
Washington 25, D. C., May 24, 1955.

HON. EMANUEL CELLER,
*Chairman, Committee on the Judiciary,
House of Representatives.*

DEAR MR. CHAIRMAN: Reference is made to your request for comments of the Department of Defense on H. R. 639, a bill to authorize the establishment of an Inventions Awards Board within the Department of Defense, and for other purposes.

Under the present provisions of law the Department of Defense is unable to provide payments to an inventor whose invention has been utilized by the Government unless he has a valid patent covering his invention, since to do so would require an expenditure of funds not authorized by law.

Legislation is needed in order to provide a means for compensating the many inventors who have made contributions to the national defense and who are equitably entitled to compensation for the use of their inventions, but who have no legal cause of action against the United States. Such legislation is also needed to provide a way of compensating inventors who do have a legal cause of action against the United States, but who are willing to accept an equitable reward rather than to prosecute their claims.

H. R. 639 would enable the Department of Defense to make awards for meritorious contributions without regard to patent protection. It would provide incentives for, and give recognition to those individuals whose talents have produced inventive contributions peculiar to Government use. Some of the contributors in this field of inventions are not issued patents. In some instances, while of particular interest to the armed services, the contributions might be of such a nature as to be unpatentable.

Proposed legislation on this subject was introduced in the 83d Congress in the form of H. R. 5889. The Department of Defense concurred in H. R. 5889 subject to a few amendments. H. R. 2383, introduced in the 84th Congress contains all the amendments offered by the Department of Defense to H. R. 5889, and the Department of Defense supports enactment of H. R. 2383, if amended as discussed below.

In regard to H. R. 639, it is noted that section 7 (b) provides that the respondent defense agency or agencies shall be entitled to assert any legal or equitable defense which could be asserted by the United States in any suit brought by the applicant against the United States for judicial relief on account of the use of the invention. It would appear from this that the Awards Board would have no power to make any awards except when based upon a valid patent which is infringed. In this respect subsection 7 (b) appears to be inconsistent with the general theory of the bill, and would add nothing over the patent system. It would merely provide a forum for legal relief which would be alternative to the courts.

Title III (68 Stat. 1113), 83d Congress, was enacted September 1, 1954, as the Government Employees' Incentive Awards Act. Section 304 (b) of that act provides for the payment of cash awards to civilian officers and employees of the Government for "suggestions, inventions, superior accomplishments, or other personal efforts * * * or for exceptionally meritorious special acts or services in the public interest in connection with or related to their official employment." H. R. 639 and H. R. 2383 apply both to the public and to all officers and employees of the Government. To some extent the provisions of both these bills overlap

INVENTIVE CONTRIBUTIONS AWARDS

those of the Government Employees' Incentive Awards Act, with respect to the payment of awards to civilian officers and employees of the Government. Any overlap could be resolved by administrative regulation, in the forwarding of contributions to the more appropriate board; however, in order to insure that there be no possibility of overlapping, consideration should be given to the incorporation of an amendment to H. R. 639 as follows:

Section 3 (b) be changed to read:

"(b) The term 'inventor' means any person who has made an invention, other than civilian officers and employees of the Federal Government to whom title III, Public Law 763, applies, or as otherwise included in section 6, subsection (c) hereafter."

Section 6 should be changed by the addition of a new subsection (c) as follows:

"(c) The Civil Service Commission may refer to the Inventions Awards Board any invention, as defined in this Act, from a civilian employee of the Federal Government for which it has approved an award of \$25,000 under the provisions of title III, Public Law 763, 83d Congress and which it considers merits consideration for further award. An additional award for such invention may be approved by the Board in accordance with the terms of this Act."

The Department of Defense, while supporting the purpose of H. R. 639, favors the enactment of H. R. 2383, if amended to eliminate the provisions which overlap those of the Government Employees' Incentive Act.

There has been insufficient time to obtain advice from the Bureau of the Budget as to the relationship of this report on H. R. 639 to the program of the President. As soon as such advice is received, it will be forwarded to your committee.

Sincerely yours,

RICHARD A. BUDDEKE,
Director, Legislative Programs.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington 25, D. C., May 23, 1955.

HON. EMANUEL CELLER,
*Chairman, Committee on the Judiciary,
House of Representatives, Washington, D. C.*

DEAR MR. CELLER: This is in reply to your letter of May 16, 1955, notifying us of the hearings scheduled for May 24 before Subcommittee No. 3 on H. R. 639 and H. R. 2383, bills to authorize the establishment of Inventions Awards Board within the Department of Defense.

We are attaching copies of our report on H. R. 639 which states the Commission's position on this bill. Your committee did not ask us for a report on H. R. 2383; however, since this bill also is on the subject of the establishment of an Inventive Contributions Award Board, our comments on H. R. 639 are equally applicable to it.

We believe the Commission's position on these bills is made clear in our report on H. R. 639 and we would like to have it included as our statement for the record. If, in addition to our report, the committee wishes to have us testify, we will be glad to send a representative from the Commission.

Sincerely yours,

PHILIP YOUNG, *Chairman.*

UNITED STATES CIVIL SERVICE COMMISSION,
Washington 25, D. C., May 23, 1955.

HON. EMANUEL CELLER,
*Chairman, Committee on the Judiciary,
House of Representatives, Washington, D. C.*

DEAR MR. CELLER: The Commission has reviewed H. R. 639, a bill to authorize the establishment of an Inventions Awards Board within the Department of Defense, and for other purposes. We received the bill with your letter of February 7, 1955.

The bill would authorize the payment of monetary National Defense Awards to persons, including Federal employees, for inventions contributing to the national defense. The amount of a single award would not be limited, but awards in excess of \$75,000 would require congressional approval. Awards could not be granted if the inventor had already received compensation (other than Government salary) under any other provision of law including, it is assumed, the Government Employees' Incentive Awards Act (title III of an act of September 1, 1954, 68 Stat. 1112) which is regulated by the Commission.

INVENTIVE CONTRIBUTIONS AWARDS

13

We do not oppose enactment of H. R. 639 if the amendatory language suggested below is adopted.

Under the Government Employees' Incentive Awards Act, inventions of Government employees may be recognized by means of cash payments. Monetary awards under that act may be made by agencies up to the amount of \$25,000. (Agency cash awards in excess of \$5,000 must receive the prior approval of the Civil Service Commission.)

Section 9 (Proceedings Under Other Statutes) of the bill would have an effect upon Federal employee-inventors who receive awards under the Government Employees' Incentive Awards Act. If a Federal employee-inventor receives any cash award under the Incentive Awards Act, it appears that under section 9 (b) (1) of the proposed legislation he would be deemed ineligible for consideration for a cash award under the proposed legislation. We do not oppose excluding from coverage of the bill those Federal employee-inventors who receive less than the maximum agency cash award authorized by the Incentive Awards Act.

One purpose of the Incentive Awards Act was to consolidate all laws governing incentive awards programs in Federal agencies and to establish a single uniform authority for the administration of incentive awards. Therefore, to establish an additional awards authority for Federal employees would seem to be contrary to the intent of the Incentive Awards Act.

We are concerned, however, about those instances when the Federal employee-inventor has been granted the maximum agency cash award (\$25,000) authorized under existing awards authority. If such employees are excluded from the proposed authority, they would be denied the benefit of a more liberal award simply because of their Federal employment and in spite of the fact that they had received the maximum agency cash award under existing authority. We believe, therefore, that an overlap of the two awards authorities may be justified. We recommend, accordingly, that section 9 of the bill be amended by adding a new subsection (c) to provide as follows:

"(c) An officer or employee of the Government shall not be eligible for consideration for an award pursuant to this act except if he has received the maximum monetary award that may be granted for an invention by the head of a department under the Government Employees' Incentive Awards Act (88 Stat. 1112)."

Section 5 (b) of the bill proposes that Inventions Awards Board members receive compensation at the rate of \$75 for each day of attendance at meetings of the Board. The Congress, however, has established a general pattern, under comparable statutes providing for boards serving on an intermittent basis, of authorizing compensation not to exceed \$50 a day. The \$50 a day limit for board members currently is exceeded only in Public Law 558, 83d Congress (68 Stat. 587) which authorized a payment of \$75 a day for members of the Commission on Governmental Use of International Telecommunications. Certain other statutes also authorize compensation in excess of \$50 a day for experts and consultants who are not board members.

Despite the existence of authorities for rates of compensation in excess of \$50 a day for intermittent employees, we suggest a revision of H. R. 639 to reduce the proposed compensation for Board members to \$50 a day. This change would place the compensation of members of the Inventions Awards Board on a par with the maximum rates paid to the members of almost all other boards and committees in the Government which serve on an intermittent basis. The proposed \$75 a day rate of compensation would be disproportionate to salaries established by the Executive Pay Act of 1949 for full-time officers of boards and commissions. On a full-time basis a per diem rate of \$75 would equal \$19,500 a year, while the Executive Pay Act establishes annual salaries of \$16,000 a year or less for full-time board and commission members.

Section 3 (a) of the bill refers to the Atomic Energy Act of 1946. We wish to point out that, during the 83d Congress, that act was amended; the amended act may be cited as the Atomic Energy Act of 1954.

We have no objection to the enactment of H. R. 639 if it is amended to permit coverage of Federal employee-inventors who have received the maximum agency cash award authorized under the Government Employees' Incentive Awards Act and if the per diem rate for members of the Inventions Awards Board is made consistent with the general maximum per diem rates for other boards and committees serving intermittently.

We are advised that the Bureau of the Budget has no objection to the submission of this report.

By direction of the Commission:

Sincerely yours,

PHILIP YOUNG, *Chairman.*

14

INVENTIVE CONTRIBUTIONS AWARDS

MAY 23, 1955.

HON. EMANUEL CELLER,
*Chairman, Committee on the Judiciary,
House of Representatives, Washington, D. C.*

DEAR MR. CELLER: Reference is made to your letter of February 7, 1955, transmitting for the comment of the Department of State a copy of H. R. 639, to authorize the establishment of an Inventions Awards Board within the Department of Defense, and for other purposes.

The Department is wholly in accord with the objectives of the bill in providing an administrative proceeding by which awards may be made to inventors who have communicated to the Government inventions that are useful to the national defense.

The importance to the United States of maintaining technological superiority in its defense program is clearly evident. The inventiveness and technical skill of the United States constitute one of our principal sources of strength. It is, therefore, desirable that the Congress should encourage inventors to contribute to this source of strength and provide machinery by which they can be fairly rewarded for their contributions.

Such machinery should have particular value in encouraging submission of ideas by inventors of foreign nationality, to whom the availability of an administrative procedure would be more appealing than the possibilities of compensation through extensive and unfamiliar court procedures.

While the Department does not consider itself competent to comment on all of the detailed features of H. R. 639, we would suggest that there be added a new subsection 3 (i), to read as follows: "The term 'national defense' shall include the program to strengthen the mutual security and individual and collective defenses of the free world provided for in the Mutual Security Act of 1954." A considerable number of inventions communicated to defense agencies will doubtless be used in connection with the furnishing of military assistance to other governments. Such use may involve either (a) manufacture under the inventions by a defense agency for the production of goods to be furnished to foreign countries or (b) furnishing the invention itself to a foreign country for use in its own defense production. Programs of military assistance to other governments have been regarded as serving the national defense of the United States, and the Department would assume that they would be so viewed under this bill. The Department believes, however, that it would be desirable to spell this out more specifically as suggested above.

The Department appreciates your letter of May 16, 1955, inviting a representative to attend the hearing scheduled for May 24, 1955, but does not have any further views to express.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this report.

Sincerely yours,

THRUSTON B. MORTON,
*Assistant Secretary
(For the Secretary of State).*

MAY 25, 1955.

Re H. R. 639.

HON. EMANUEL CELLER,
*Chairman, Committee on the Judiciary,
House of Representatives, Washington 25, D. C.*

DEAR CONGRESSMAN CELLER: Your letter of February 7, requested an expression of the views of GSA on H. R. 639, a bill to authorize the establishment of an Inventions Awards Board within the Department of Defense, and for other purposes.

This bill is similar to H. R. 7316 introduced in the 2d session of the 82d Congress, and H. R. 5889 which was introduced in the 83d Congress.

The purpose of this bill is to foster inventions for national defense. It is proposed to accomplish this by the establishment of an Inventions Awards Board within the Department of Defense which shall be authorized to recommend to the Secretary of Defense awards for meritorious inventions which contribute to the national defense.

The provision is made for the establishment of such Board and the duties of the members comprising the Board. This bill provides for the manner in which applications for awards shall be made and the procedure of the board acting upon

INVENTIVE CONTRIBUTIONS AWARDS

15

same. Payments for such award are limited to \$75,000, unless approved by the Congress. The application of the provisions of this bill would be confined to defense agencies.

Legislation of this type is of vital interest to GSA, as a portion of its functions has been designated as defense work by the President of the United States.

It is believed that the incentive provided in this bill may result in the discovery and use of inventions which will aid substantially our national defense. It is recommended, however, that consideration be given to the amendments set out below.

1. That section 5 (b) be amended by adding on page 4, line 8, after the word "Board" the following: "Provided, however, That the provisions of title 18, United States Code, section 281, shall not apply to the members of this Board and that appointment may be made without regard to the requirements of the Civil Service Retirement Act."

This change is suggested in order to waive the prohibition against compensation to Members of Congress, officers, and others in relation to any proceedings in which the United States is a party. It is believed that such persons should not be prohibited from receiving such awards.

The Attorney General of the United States, in an opinion dated July 18, 1949, volume 41, No. 4, has stated that practice before the United States Patent Office by an officer or employee of the United States would be in violation of title 18, United States Code, section 281.

Considering section 5 as a whole, the members of the Board might well be considered as officers or employees of the United States. It is doubtful that the services of anyone eminent in their field would be available unless exemption from the operation of the conflict-of-interest statutes is provided.

2. It is further recommended that a new subsection be added to section 9 which would read as follows: "(3) prohibit any department or agency of the United States from making any payment to any employee pursuant to any administrative order of such department or agency."

Many governmental departments and agencies have incentive awards programs which have proven very beneficial. It is believed that a small award by the agency in which a person is employed should not prohibit such person from being considered for an award as contemplated by this act.

GSA favors the enactment of legislation which would achieve the broad objectives of this bill. Upon consideration of the whole bill together with suggested amendments, GSA would recommend the enactment of H. R. 639.

The Bureau of the Budget has advised that there is no objection to the submission of this report to your committee.

Cordially yours,

EDMUND F. MANSURE, *Administrator.*

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., May 24, 1955.

HON. EMANUEL CELLER,
*Chairman, Committee on the Judiciary,
House of Representatives, Washington, D. C.*

MY DEAR MR. CHAIRMAN: This will acknowledge your request of February 7, 1955, for the views of the Bureau of the Budget on H. R. 639, a bill to authorize the establishment of an Inventions Awards Board within the Department of Defense, and for other purposes.

The Bureau of the Budget is in agreement with the general purpose of the bill but recommends the following amendments:

1. The scope of the bill should be extended to include contributions other than inventions, such as medical discoveries and scientific advancements.

2. The Bureau of the Budget agrees with the amendment recommended by the Civil Service Commission to assure consistency between H. R. 639 and the Government Employees' Incentive Awards Act. Accordingly, an officer or employee of the Government should not be eligible for consideration for an award under the proposed legislation unless he has received the maximum monetary award that may be granted for an invention under the Government Employees' Incentive Awards Act.

3. The Bureau of the Budget is also in agreement with the technical and clarifying amendments recommended by the Department of Justice.

16

INVENTIVE CONTRIBUTIONS AWARDS

4. Existing legislation authorizing awards for contributions of an inventive nature to the Government by persons not employed by the Government should be carefully reviewed to avoid further duplication or conflict with any new legislation on this subject. Among existing legislation are section 10 (r) of the act of July 2, 1926, as amended (10 U. S. C. 310 (r)), and section 11 (e) of the act of August 1, 1946 (42 U. S. C. 1811 (e)).

Sincerely yours,

HAROLD PEARSON, *Assistant Director.*

MAY 25, 1955.

HON. EMANUEL CELLER,
*Chairman, Committee on the Judiciary,
House of Representatives, Washington, D. C.*

DEAR MR. CHAIRMAN: This is in response to your request for the views of the Department of Justice concerning the bill (H. R. 639) to authorize the establishment of an Inventions Awards Board within the Department of Defense, and for other purposes.

The bill would establish within the Department of Defense an Inventions Awards Board to recommend to the Secretary of Defense the making of awards to be known as National Defense Awards. These awards would be made for meritorious inventions contributing to the national defense.

There is attached a memorandum prepared in this Department setting forth a section-by-section analysis of the bill, together with a number of amendments largely of a technical and clarifying character. It is believed that if this legislation, which primarily concerns the Department of Defense, is to be enacted it should be amended in the respects set forth in that memorandum.

The Bureau of the Budget has advised that there is no objection to the submission of this report.

Sincerely,

WILLIAM P. ROGERS, *Deputy Attorney General.*

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS,
Washington 25, D. C., May 23, 1955.

HON. EMANUEL CELLER,
*Chairman, Committee on the Judiciary,
House of Representatives, Washington 25, D. C.*

DEAR MR. CELLER: Your letter of February 7, 1955, to Dr. Hunsaker requests the views of the National Advisory Committee for Aeronautics on H. R. 639, a bill to authorize the establishment of an Inventions Awards Board within the Department of Defense, and for other purposes.

The NACA favors in principle the legislation proposed in H. R. 639, and recommends that an amendment be inserted in the bill to provide for the repeal of section 10 (r) of the Army Air Corps Act approved July 2, 1926, as amended by act approved March 3, 1927 (10 U. S. C. 310 (r)).

Attached is a copy of the section 10 (r), as amended, which is recommended for repeal. It established an aeronautical patents and design board to consist of assistant secretaries of War, Navy, and Commerce Departments and provided that upon the favorable recommendation of the NACA the board could make an award not to exceed \$75,000 for the exclusive or nonexclusive use of an idea patented or unpatentable. Since the early days of World War II, the National Inventors Council has functioned on inventions generally, including this class, and this particular legislation has become a dead letter.

Your committee may be interested in broadening the basis for making an award to include methods of procedure as well as patentable inventions. This would be analogous to the scope of section 10 (r) referred to above.

The Bureau of the Budget advises that there is no objection to the submission of these comments.

Sincerely yours,

J. F. VICTORY, *Executive Secretary.*

PUBLIC LAW 763 (83D CONG., 68 STAT. 1105)

TITLE III—GOVERNMENT EMPLOYEES' INCENTIVE AWARDS

SEC. 301. This title may be cited as the "Government Employees' Incentive Awards Act".

SEC. 302. The departmental awards program set forth in this title shall be carried out under such regulations and instructions as may be issued by the United States Civil Service Commission which shall annually report the results of the program, with related recommendations, to the President for transmittal to the Congress.

SEC. 303. As used in this title, the term "department" means an executive department or independent agency in the executive branch of the Government, including a Government-owned or controlled corporation (but not including the Tennessee Valley Authority), and also includes (a) the Administrative Office of the United States Courts (b) the Library of Congress, (c) the Botanic Garden, (d) the Government Printing Office, (e) the Office of the Architect of the Capitol, and (f) the municipal government of the District of Columbia.

SEC. 304. (a) The head of each department is authorized to pay cash awards to, and to incur necessary expenses for the honorary recognition of, civilian officers and employees of the Government who by their suggestions, inventions, superior accomplishments, or other personal efforts contribute to the efficiency, economy, or other improvement of Government operations or who perform special acts or services in the public interest in connection with or related to their official employment.

(b) In instances determined by the President to warrant such action, he is authorized to pay cash awards to, and to incur necessary expenses for the honorary recognition of, civilian officers and employees of the Government who by their suggestions, inventions, superior accomplishments, or other personal efforts contribute to the efficiency, economy, or other improvement of Government operations, or who perform exceptionally meritorious special acts or services in the public interest in connection with or related to their official employment, and any such Presidential awards may be in addition to the departmental awards authorized in subsection (a) of this section.

(c) Awards under this section may be paid notwithstanding the death or separation from the service of the officer or employee concerned: *Provided*, That the suggestions, inventions, superior accomplishments, other personal efforts, or special acts or services in the public interest forming the basis for the awards are made or rendered while the officer or employee is in the employ of the Government.

(d) A cash award under this section shall be addition to the regular compensation of the recipient and the acceptance of such cash award shall constitute an agreement that the use by the Government of the United States or the municipal government of the District of Columbia of any idea, method or device for which the award is made shall not form the basis of a further claim of any nature upon the Government of the United States or the municipal government of the District of Columbia by the employee, his heirs, or assigns.

(e) Awards to employees and expenses for the honorary recognition of employees may be paid from the funds or appropriations available to the activity primarily benefiting or may be paid from the several funds or appropriations of the various activities benefiting as may be determined by the President for awards under subsection (b) of this section, and by the head of the department concerned for awards under subsection (a) of this section.

(f) An award under this title shall be given due weight in qualifying and selecting employees for promotion.

(g) A monetary award granted under this title shall not exceed \$5,000, except that an award in excess of such amount but not in excess of \$25,000 may be granted, with the approval of the Commission, in special cases in which the head of a department certifies to the Commission that the suggestion, invention, superior accomplishment, or other meritorious effort for which such award is proposed to be made is highly exceptional and unusually outstanding.

SEC. 305. The following laws and parts of laws are hereby repealed:

(a) Sections 702, 1002, and 1003 of the Classification Act of 1949 (63 Stat. 954; 5 U. S. C. 1122, 1152, 1153).

(b) Section 14 of the Act entitled "An Act to authorize certain administrative expenses in the Government service, and for other purposes," approved August 2, 1946 (60 Stat. 809; 5 U. S. C. 116a).

(c) The Act entitled "An Act authorizing payments of rewards to postal employees for inventions", approved December 3, 1945 (59 Stat. 591; 39 U. S. C. 813).

(d) The Act entitled "An Act authorizing the Secretary of War to pay a cash award for suggestions submitted by employees of certain establishments of the Ordnance Department for improvement or economy in manufacturing process or plant", approved July 17, 1912 (37 Stat. 193; 50 U. S. C. 58).

(e) The Act entitled "An Act to provide equitable compensation for useful suggestions or inventions by personnel of the Department of the Interior", approved June 26, 1944 (58 Stat. 360; 5 U. S. C. 500).

(f) Subsections (a) and (b) of section 35 of the Act entitled "An Act to enact certain provisions now included in the Naval Appropriation Act, 1946, and for other purposes", approved August 2, 1946 (60 Stat. 857; 5 U. S. C. 416).

(g) The joint resolution entitled "Joint Resolution to provide cash awards to personnel of the Maritime Commission and the War Shipping Administration for useful suggestions to improve administration of their activities", approved March 13, 1944 (58 Stat. 115; 46 U. S. C. 1111b).

(h) All other laws or parts of laws inconsistent with this Act are hereby repealed to the extent of such inconsistency.

SEC. 306. The enactment of this title shall not affect the right of any employee to an award granted him under any provision of law repealed by this title.

SEC. 307. This title shall take effect on the ninetieth day after the date of its enactment.

